WORLD DEVELOPMENT

Volume 26 1998

List of Contents and Author Index

Pergamon

World Development

Chairman of the Editorial Board
Paul P. Streeten

Editor
Janet L. Craswell

The American University
4400 Massachusetts Ave, NW
Washington, DC 20016-8151
U.S.A.

Copy Editor
Therese Borden

Editorial Assistant
Elma Shaw

Address to which articles are to be mailed

The Editor
World Development
The American University
4400 Massachusetts Ave, NW
Washington, DC 20016-8151
U.S.A.

Advertising information. Advertising orders and enquiries can be sent to: **Europe and ROW**: Rachel Gresle-Farthing, Elsevier Science Ltd, Advertising Department, The Boulevard, Langford Lane, Kidlington, Oxford OX5 1GB, UK; phone: (+44) (1865) 843565; fax: (+44) (1865) 843976; e-mail: r.gresle-farthing@elsevier.co.uk. **USA and Canada**: Elsevier Science Inc., Mr Tino DeCarlo, 655 Avenue of the Americas, New York, NY 10010-5107, USA; phone: (+1) (212) 633 3815; fax: (+1) (212) 633 3820; e-mail: t.decarlo@elsevier.com. **Japan**: Elsevier Science K.K., Advertising Department, 9-15 Higashi-Azabu 1-chome, Minato-ku, Tokyo 106, Japan; phone: (+81) (3) 5561 5033; fax: (+81) (3) 5561 5047.

Orders, claims, and product enquiries: please contact the Customer Support Department at the Regional Sales Office nearest you: **New York**: Elsevier Science, PO Box 945, New York, NY 10159-0945, USA; phone: (+1) (212) 633 3730 [toll free number for North American customers: 1-888-4ES-INFO (437-4636)];fax:(+1)(212)6333680;e-mail:usinfo-f@elsevier.com. **Amsterdam**: Elsevier Science, PO Box 211, 1000 AE Amsterdam, The Netherlands; phone: (+31) 20 4853757; fax: (+31) 20 4853432; e-mail: nlinfo-f@elsevier.nl. **Tokyo**: Elsevier Science, 9-15 Higashi-Azabu 1-chome, Minato-ku, Tokyo 106, Japan; phone: (+81) (3) 5561 5033; fax: (+81) (3) 5561 5047; e-mail: info@elsevier.co.jp. **Singapore**: Elsevier Science, No. 1 Temasek Avenue, #17-01 Millenia Tower, Singapore 039192; phone: (+65) 434 3727; fax: (+65) 337 2230; e-mail: asiainfo@elsevier.com.sg. **Rio de Janeiro**: Elsevier Science, Rua Sete de Setembro 111/16 Andar, 20050-002 Centro, Rio de Janeiro – RJ, Brazil; phone: (+55) (21) 509 5340; fax: (+55) (21) 507 1991; e-mail: elsevier@ campus.com.br [Note (Latin America): for orders, claims and help desk information, please contact the Regional Sales Office in New York as listed above]

Frequency: Published Monthly

Members of the Society for International Development and Development Studies Association may order personal subscriptions at a concessional rate, details of which are available on request.

Copyright © 1998 Elsevier Science Ltd

Annual Institutional Subscription Rates 1998: Europe, The CIS and Japan, NLG 2657.00; all other countries, US$1349.00. Associated Personal Subscription Rates are available on request for those whose institutions are library subscribers. Dutch Guilders prices exclude VAT. Non-VAT registered customers in the European Community will be charged the appropriate VAT in addition to the price listed. Prices include postage and insurance and are subject to change without notice.

Back issues of all previously published volumes are available direct from Elsevier Science Offices (Amsterdam and New York). Complete volumes and single issues can be purchased for 1993–1997. Earlier issues are available in high quality photo-duplicated copies as complete volumes only.

PERIODICALS POSTAGE PAID AT RAHWAY, NEW JERSEY. *World Development* (ISSN 0305–750X) is published monthly, January to December, by Elsevier Science Ltd, The Boulevard, Langford Lane, Kidlington, Oxford OX5 1GB, U.K. The annual subscription in the U.S.A. is $1349. *World Development* is distributed by Mercury Airfreight International Ltd, 2323 Randolph Avenue, Avenel, NJ 07001-2413, U.S.A.
POSTMASTER: Please send address corrections to *World Development,* c/o Elsevier Science Regional Sales Office, Customer Support Department, 655 Avenue of the Americas, New York, NY 10010, U.S.A.

Author Service Department: For queries relating to the general submission of articles (including electronic text and artwork) and the status of accepted manuscripts, please contact the Author Service Department: e-mail: authors@elsevier.co.uk; Fax: +44 (0) 1865 843905; Tel.: +44 (0) 1865 843900.
Chairman of the Editorial Board

©The paper used in this publication meets the requirements of ANSI/NISO Z39.48-1992 (Permanence of Paper)

Production Office
Elsevier Science Ltd
Bampfylde Street
Exeter
EX1 2AH
U.K.

CONTENTS OF VOLUME 26

Volume 26 Number 1

C. O. N. Moser	1	The Asset Vulnerability Framework: Reassessing Urban Poverty Reduction Strategies
D. Whittington	21	Administering Contingent Valuation Surveys in Developing Countries
C. Benson and E. J. Clay	31	Additionality or Diversion? Food Aid to Eastern Europe and the Former Soviet Republics and the Implications for Developing Countries
P. Bennell and D. Furlong	45	Has Jomtien Made any Difference? Trends in Donor Funding for Education and Basic Education Since the Late 1980s
D. C. Mead and C. Liedholm	61	The Dynamics of Micro and Small Enterprises in Developing Countries
M. C. de Mello Lemos	75	The Politics of Pollution Control in Brazil: State Actors and Social Movements Cleaning up Cubatão
B. Kinsey, K. Burger and J. W. Gunning	89	Coping with Drought in Zimbabwe: Survey Evidence on Responses or Rural Households to Risk
S. Johansson	111	Life Cycles, Oil Cycles, or Financial Reforms? The Growth in Private Savings Rates in Indonesia
A. Barrientos	125	Pension Reform, Personal Pensions and Gender Differences in Pension Coverage
F. G. Carneiro	139	Productivity Effects in Brazilian Wage Determination
A. A. Burki and D. Terrell	155	Measuring Production Efficiency of Small Firms in Pakistan
C. J. Barrow	171	River Basin Development Planning and Management: A Critical Review

Volume 26 Number 2

D. E. McMillan, J. H. Sanders, D. Koenig, K. Akwabi-Ameyaw and T. M. Painter	187	New Land is Not enough: Agricultural Performance of New Lands Settlement in West Africa

F. Ellis and J. Sumberg 213 Food Production, Urban Areas and Policy Responses

D. Hirschmann 227 Civil Society in South Africa: Learning from Gender Themes

S. Biggs and G. Smith 239 Beyond Methodologies: Coalition-Building for Participatory Technology Development

R. Alsop and J. Farrington 249 Nests, Nodes and Niches: A System for Process Monitoring, Information Exchange and Decision Making for Multiple Stakeholders

E. L. Hyman and K. Dearden 261 Comprehensive Impact Assessment Systems for NGO Micro-enterprise Development Programs

J. H. Marshall 277 The Political Viability of Free Market Experimentation In Cuba: Evidence from *Los Mercados Agropecuarios*

P. A. Smith and M. R. Metzger 289 The Return to Education: Street Vendors in Mexico

A. W. Horowitz and D. Weinhold 297 Household Characteristics and Income Inequality during Inflationary Periods: Recent Evidence from Suriname

S. Anand and K. Hanson 307 DALYs: Efficiency Versus Equity

SPECIAL SECTION:
Regional Integration in Central America

V. Bulmer-Thomas 311 Introduction

V. Bulmer-Thomas 313 The Central American Common Market: From Closed to Open Regionalism

S. M. A. Nicholls 323 Measuring Trade Creation and Trade Diversion in the Central American Common Market: A Hicksian Alternative

P. Rodas-Martini 337 Intra-Industry Trade and Revealed Comparative Advantage in the Central American Common Market

F. Rueda-Junquera 345 Regional Integration and Agricultural Trade in Central America

363 Corrigendum

Volume 26 Number 3

D. van de Walle 365 Assessing the Welfare Impacts of Public Spending

C. O'Faircheallaigh 381 Resource Development and Inequality in Indigenous Societies

J. Songsore and G. McGranahan 395 The Political Economy of Household Environmental Management: Gender, Environment and Epidemiology in the Greater Accra Metropolitan Area

J. R. Molinas 413 The Impact of Inequality, Gender, External Assistance and Social Capital on Local-Level Cooperation

S. W. Stone 433 Evolution of the Timber Industry Along an Aging Frontier: The Case of Paragominas (1990–95)

M. I. Blejer and G. del Castillo 449 *"Déjà vu* All Over Again?": The Mexican Crisis and the Stabilization of Uruguay in the 1970s

W. A. Masters and E. Ianchovichina 465 Measuring Exchange Rate Misalignment: Inflation Differentials and Domestic Relative Prices

A. Chen 479 Inertia in Reforming China's State-Owned Enterprises: The Case of Chongqing

. A. Onafowora and O. Owoye 497 Can Trade Liberalization Stimulate Economic Growth in Africa?

L. P. Briguglio 507 Small Country Size and Returns to Scale in Manufacturing

F. Noorbakhsh 517 A Modified Human Development Index

K. Raffer 529 The Tobin Tax: Reviving a Discussion

P. Streeten 539 The Cheerful Pessimist: Gunnar Myrdal the Dissenter (1898–1987)

Volume 26 Number 4

G. B. Frisvold and P. T. Condon 551 The Convention on Biological Diversity and Agriculture: Implications and Unresolved Debates

R. A. Clapp 571 Regions of Refuge and the Agrarian Question: Peasant Agriculture and Plantation Forestry in Chilean Araucanía

I. Grunberg 591 Double Jeopardy: Globalization, Liberalization and the Fiscal Squeeze

A. Singh and B. A. Weisse 607 Emerging Stock Markets, Portfolio Capital Flows and Long-term Economic Growth: Micro and Macroeconomic Perspectives

S. Y. Tang and N. Bhatt 623 The Problem of Transaction Costs in Group-Based Micro-lending: An Institutional Perspective

H. Armstrong, R. J. De Kervenoael, X. Li and R. Read 639 A Comparison of the Economic Performance of Different Micro-states, and Between Micro-states and Larger Countries

SPECIAL SECTION:
Financing Human Resource Development in the Advanced Asian Economies

S. Mundle 657 Introduction to Special Section of *World Development* on Financing Human Development

S. Mundle 659 Financing Human Development: Some Lessons from Advanced Asian Countries

M. G. Rao 673 Accommodating Public Expenditure Policies: the Case of Fast Growing Asian Economies

A. Mingat 695 The Strategy Used by High-performing Asian Economies in Education: Some Lessons for Developing Countries

P. J. Gertler 717 On the Road to Social Health Insurance: the Asian Experience

A. Sen 733 Human Development and Financial Conservatism

Volume 26 Number 5

C. B. Barrett 743 Immiserized Growth in Liberalized Agriculture

S. B. Brush 755 Bio-cooperation and the Benefits of Crop Genetic Resources: the Case of Mexican Maize

T. G. Rawski and R. W. Mead 767 On the Trail of China's Phantom Farmers

P. Mosley and D. Hulme 783 Microenterprise Finance: Is There a Conflict Between Growth and Poverty Alleviation?

A. W. Hoffmaister M. Pradhan and H. Samiei 791 Have North–South Growth Linkages Changed?

A. Savvides 809 Inflation and Monetary Policy in Selected West and Central African Countries

C. J. Kenny and T. J. Moss 829 Stock Markets in Africa: Emerging Lions or White Elephants?

P. Cook and C. Kirkpatrick 845 Labor Market Adjustment in Small Open Economies: The Case of Micronesia

C. Mesa-Lago 857 Assessing Economic and Social Performance in the Cuban Transition of the 1990s

J. A. Mubarak 877 Middle East and North Africa: Development Policy in View of a Narrow Agricultural Natural Resource Base

T. F.-L. Yu 897 Adaptive Entrepreneurship and the Economic Development of Hong Kong

Volume 26 Number 6

R. Starkloff 913 Water Scarcity in Kitulwatte: The Social Causes and Consequences of Environmental Degradation in a Highland Uva Village of Sri Lanka

. Wainwright, W. Wehrmeyer 933 Success in Integrating Conservation and Development? A Study from Zambia

E. Bitran, P. Serra 945 Regulation of Privatized Utilities: The Chilean Experience

S. Devarajan, S. I. Hossain 963 The Combined Incidence of Taxes and Public Expenditures in the Philippines

C. Woodruff 979 Contract Enforcement and Trade Liberalization in Mexico's Footwear Industry

Y.-S. F. Lee 993 Intermediary Institutions, Community Organizations, and Urban Environmental Management: The Case of Three Bangkok Slums

R. Steiner 1013 Colombia's Income from the Drug Trade

D. Cobham, R. Subramaniam 1033 Corporate Finance in Developing Countries: New Evidence for India

D. Byerlee 1049 The Search for a New Paradigm for the Development of National Agricultural Research Systems

J. M. Alston, P. G. Pardey, J. Roseboom 1057 Financing Agricultural Research: International Investment Patterns and Policy Perspectives

M. Rukuni, M. J. Blackie, C. K. Eicher 1073 Crafting Smallholder-Driven Agricultural Research Systems in Southern Africa

Mruthyunjaya, P. Ranjitha 1089 The Indian Agricultural Research System: Structure, Current Policy Issues, and Future Orientation

R. G. Echeverría 1103 Agricultural Research Policy Issues in Latin America: An Overview

J. Roseboom, H. Rutten 1113 The Transformation of the Dutch Agricultural Research System: An Unfinished Agenda

C. E. Pray, D. Umali-Deininger 1127 The Private Sector in Agricultural Research Systems: Will it Fill the Gap?

J. R. Anderson 1149 Selected Policy Issues in International Agricultural Research: On Striving for International Public Goods in an Era of Donor Fatigue

1163 Acknowledgements

Volume 26 Number 7

SPECIAL ISSUE

INTERNATIONAL FINANCIAL FLOWS AND DEVELOPMENT

M. J. Fry and V. Murinde 1165 Editors' Preface

R. Levine and S. Zervos 1169 Capital Control Liberalization and Stock Market Development

M. Knight 1185 Developing Countries and the Globalization of Financial Markets

S. Maxfield 1201 Understanding the Political Implications of Financial Internationalization in Emerging Market Countries

R. Lensink and H. White 1221 Does the Revival of International Private Capital Flows Mean the End of Aid?: An Analysis of Developing Countries' Access to Private Capital

T. S. Nyoni 1235 Foreign Aid and Economic Performance in Tanzania

S. Franco-Rodriguez, O. Morrissey and M. McGillivray 1241 Aid and the Public Sector in Pakistan: Evidence with Endogenous Aid

D. Diakosavvas and C. J. Green 1251 Assessing the Impact on Food Security of Alternative Compensatory Financing Schemes: A Simulation Approach with An Application to India

R. I. McKinnon and H. Pill 1267 International Overborrowing: A Decomposition of Credit and Currency Risks

M. Dailami and D. Leipziger 1283 Infrastructure Project Finance and Capital Flows: A New Perspective

V. M. Gastanaga, J. B. Nugent and B. Pashamova 1299 Host Country Reforms and FDI Inflows: How Much Difference do they Make?

A. Bende-Nabende and J. L. Ford 1315 FDI, Policy Adjustment and Endogenous Growth: Multiplier Effects from a Small Dynamic Model for Taiwan, 1959–1995

J. Wahba and M. Mohieldin 1331 Liberalizing Trade in Financial Services: The Uruguay Round and the Arab Countries

R. Lensink, Niels Hermes and V. Murinde 1349 The Effect of Financial Liberalization on Capital Flight in African Economies

Volume 26 Number 8

S. Lall and M. Teubal 1369 "Market-stimulating" Technology Policies in Developing Countries: A Framework with Examples from East Asia

M. Tewari 1387 Intersectoral Linkages and the Role of the State in Shaping the Conditions of Industrial Accumulation: A Study of Ludhiana's Manufacturing Industry

K. Anderson and C. Y. Peng 1413 Feeding and Fueling China in the 21st Century

B. Cohen 1431 The Emerging Fertility Transition in Sub-Saharan Africa

P. A. Berman 1463 Rethinking Health Care Systems: Private Health Care Provision in India

A. Kolk 1481 From Conflict to Cooperation: International Policies to Protect the Brazilian Amazon

J. Meyer-Stamer 1495 Path Dependence in Regional Development: Persistence and Change in Three Industrial Clusters in Santa Catarina, Brazil

M. Swaminathan 1513 Economic Growth and the Persistence of Child Labor: Evidence from an Indian City

SPECIAL SECTION:
Viewpoints on the Asian Financial Crisis

D. McNeill and H. Bøckman 1529 Introduction

R. Wade 1535 The Asian Debt-and-development Crisis of 1997–?: Causes and Consequences

H.-J. Chang 1555 Korea: The Misunderstood Crisis

Jomo K S 1563 Financial Liberalization, Crises, and Malaysian Policy Responses

L. S. Lauridsen 1575 The Financial Crisis in Thailand: Causes, Conduct and Consequences?

R. Robison and A. Rosser 1593 Contesting Reform: Indonesia's New Order and the IMF

Volume 26 Number 9

H. T. Seeth, S. Chachnov, A. Surinov and J. Von Braun 1611 Russian Poverty: Muddling Through Economic Transition with Garden Plots

E. Rice, M. Smale and J.-L. Blanco 1625 Farmers' Use of Improved Seed Selection Practices in Mexican Maize: Evidence and Issues from the Sierra de Santa Marta

Feng Lu 1641 Grain Versus Food: A Hidden Issue in China's Food Policy Debate

D. Sapsford and H. Singer 1653 The IMF, the World Bank and Commodity Prices: A Case of Shifting Sands?

S. Dercon and D. Ayalew 1661 Where Have All the Soldiers Gone: Demobilization and Reintegration in Ethiopia

S. Robins 1677 Breaking out of the Straitjacket of Tradition: The Politics and Rhetoric of 'Development' in Zimbabwe

SPECIAL SECTION:
Historical Consciousness in Development Planning

A. P. Castro 1695 Editor's Introduction

D. Brokensha 1697 Introduction

M. S. Chaiken 1701 Primary Health Care Initiatives in Colonial Kenya

A. P. Castro 1719 Sustainable Agriculture or Sustained Error? The Case of Cotton in Kirinyaga, Kenya

W. T. Conelly 1733 Colonial Era Livestock Development Policy: Introduction of Improved Dairy Cattle in High-potential Farming Areas of Kenya

M. L. Udvardy 1749 Theorizing Past and Present Women's Organizations in Kenya

N. T. Håkansson 1763 Pagan Practices and the Death of Children: German Colonial Missionaries and Child Health Care in South Pare, Tanzania

J. Astone 1773 Incorporating Local History into Planning Documents: A Case Study from Guinea, West Africa

Volume 26 Number 10

Mahbub ul Haq 1785 Obituary

S. Liu, M. R. Carter and Y. Yao 1789 Dimensions and Diversity of Property Rights in Rural China: Dilemmas on the Road to Further Reform

R. Heltberg 1807 Rural Market Imperfections and the Farm Size–Productivity Relationship: Evidence from Pakistan

L. Dershem and D. Gzirishvili 1827 Informal Social Support Networks and Household Vulnerability: Empirical Findings From Georgia

E. A. Paus 1839 Structural Adjustment and Manufacturing Sector Competitiveness: Lessons from Post-unification East Germany

M. M. Moreira and P. G. Correa 1859 A First Look at the Impacts of Trade Liberalization on Brazilian Manufacturing Industry

A. Hollis and A. Sweetman 1875 Microcredit: What Can we Learn from the Past?

G. Bergeron, S. S. Morris and J. M. M. Banegas 1893 How Reliable are Group Informant Ratings? A Test of Food Security Ratings in Honduras

D. K. Waughray, C. J. Lovell and E. Mazhangara 1903 Developing Basement Aquifers to Generate Economic Benefits: A Case Study from Southeast Zimbabwe

Volume 26 Number 11

SPECIAL ISSUE

THE DEMOGRAPHIC CRISIS IN THE FORMER SOVIET UNION

C. Becker and D. Bloom 1913 The Demographic Crisis in the Former Soviet Union: Introduction

N. G. Bennett, D. E. Bloom and S. F. Ivanov 1921 Demographic Implications of the Russian Mortality Crisis

E. Andreev, S. Scherbov and F. Willekens 1939 Population of Russia: What Can We Expect in the Future?

C. M. Becker and D. D. Hemley 1957 Demographic Change in the Former Soviet Union During the Transition Period

N. Zohoori, T. A. Mroz, B. Popkin, E. Glinskaya, M. Lokshin, D. Mancini, P. Kozyreva, M. Kosolapov and M. Swafford 1977 Monitoring the Economic Transition in the Russian Federation and its Implications for the Demographic Crisis — the Russian Longitudinal Monitoring Survey

V. M. Shkolnikov, G. A. Cornia, D. A. Leon and F. Meslé 1995 Causes of the Russian Mortality Crisis: Evidence and Interpretations

E. Brainerd 2013 Market Reform and Mortality in Transition Economies

B. P. Kennedy, I. Kawachi and E. Brainerd 2029 The Role of Social Capital in the Russian Mortality Crisis

E. Skoufias 2045 Determinants of Child Health During the Economic Transition in Romania

C. M. Becker, D. I. Bibosunova, G. E. Holmes and M. M. Ibragimova 2057 Maternal Care *vs.* Economic Wealth and the Health of Newborns: Bishkek, Kyrgyz Republic and Kansas City, USA

D. E. Bloom and P. N. Malaney 2073 Macroeconomic Consequences of the Russian Mortality Crisis

C. M. Becker and D. S. Urzhumova 2087 Pension Burdens and Labor Force Participation in Kazakstan

Volume 26 Number 12

V. J. Michener 2105 The Participatory Approach: Contradiction and Co-option in Burkina Faso

P. Shaffer 2119 Gender, Poverty and Deprivation: Evidence from the Republic of Guinea

S. Rozelle, A. Park, V. Benziger and C. Ren 2137 Targeted Poverty Investments and Economic Growth in China

R. Yin 2153 Forestry and the Environment in China: the Current Situation and Strategic Choices

A. K. Duraiappah 2169 Poverty and Environmental Degradation: A Review and Analysis of the Nexus

M. Mulinge and C. W. Mueller	2181	Employee Job Satisfaction in Developing Countries: The Case of Kenya
C. Beier and G. Ferrazzi	2201	Fiscal Decentralization in Indonesia: A Comment on Smoke and Lewis
B. D. Lewis and P. Smoke	2213	Reply to Beier and Ferrazzi
D. J. McNaughton and T.-C. Lee	2219	Carbon Intensity and Economic Development 1961–91: A Comment on Roberts and Grimes
J. T. Roberts and P. Grimes	2221	Reply to McNaughton and Lee
L. E. Westphal	2223	The Pendulum Swings — An Apt Analogy? 1997 Northeastern Universities Development Consortium Conference Keynote Talk
	2231	Acknowledgements